5.0 Defining Eligibility Criteria

Many factors will influence the number of areas eligible for certain government funding programmes. **It is recommended that the multiple deprivation measure should only form one part of any targeting strategy.**

Key factors influencing the number of areas eligible for certain government funding programmes include;

- the cost of each individual intervention and the potential for economies of scale
- whether the policy requires concentration of resources in the most deprived areas or the spreading of resources more widely
- whether a particular demographic of the population is being targeted
- potential complementarities/substitution effects with existing programmes in the area
- the geographical level at which the programme is delivered (as discussed in 'Using Area Based Measures').

If the NIMDM 2010 or component domains are included as a factor in the decision making process it should be recognised that the measures are relative measures, ordering areas from the most to the least deprived. As such, **a single definitive point does not exist at which all areas that are more deprived can be classed as deprived and all areas that are less deprived are classed as not deprived**. If this were the case such a point would form a natural cut-off point for eligibility criteria. Furthermore as differences in the level of deprivation between areas with consecutive ranks is often small, **it is likely that the difference between the level of deprivation in the least deprived area that meets the eligibility criteria and the most deprived area that does not will be marginal**.

When assigning a threshold for eligibility criteria however it is necessary to define such a point where all areas that are more deprived will receive funding while those that are less deprived do not.
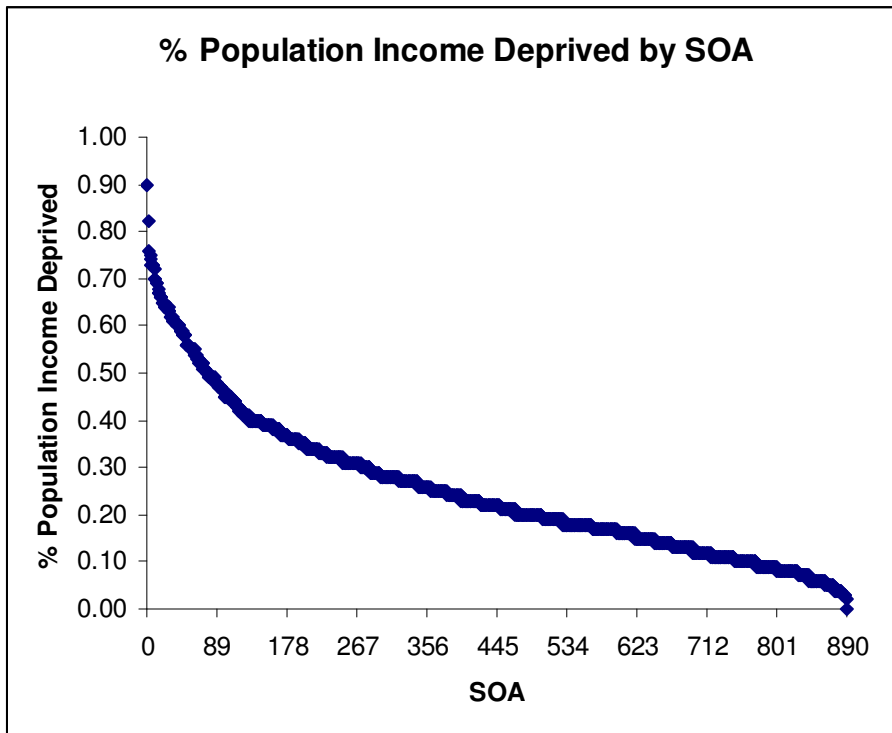
The graphs below show the distribution of income and employment deprivation according to the Income and Employment Deprivation Domains 2010. The graphs are intended to illustrate the continuous nature of the distribution of deprivation. i.e. it is not that 25% of areas in Northern Ireland contain an entirely deprived population while the remaining 75% of areas contain populations that do not experience deprivation.

Specifically in Graph 1 the 890 Super Output Areas (SOAs) are ordered from most to least deprived (horizontal axis) and their corresponding level of income deprivation (the proportion of the total population in an area that are income deprived) is plotted along the vertical axis.
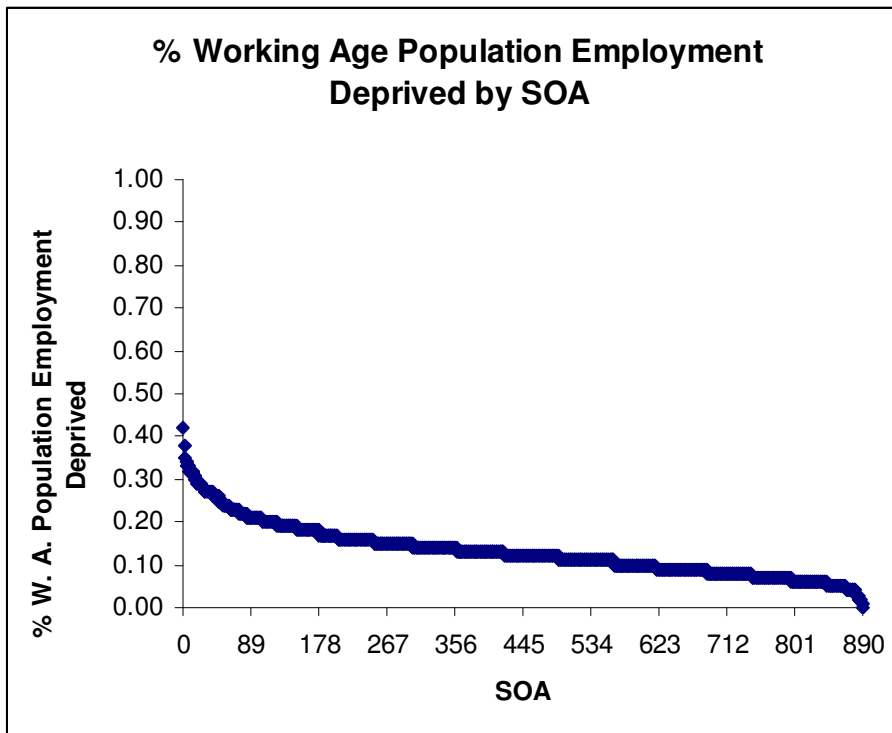
Graph 2 shows the 890 Super Output Areas (SOAs) ordered from most to least deprived (horizontal axis) and their corresponding level of employment

deprivation (the proportion of the working age population in an area that are employment deprived) is plotted along the vertical axis.

Graph 1 – Income Deprivation

% Population Income Deprived by SOA

Graph 2 – Employment Deprivation

% Working Age Population Employment Deprived by SOA

The graphs show relatively small differences between the levels of deprivation for the vast majority of areas with consecutive ranks, characterised by the lack

of large steps in the distribution when ordered from most to least deprived area. In fact the difference in the level of deprivation (the percentage of the relevant population experiencing income or employment deprivation) between any two areas with consecutive ranks is often less than 1 percentage point.
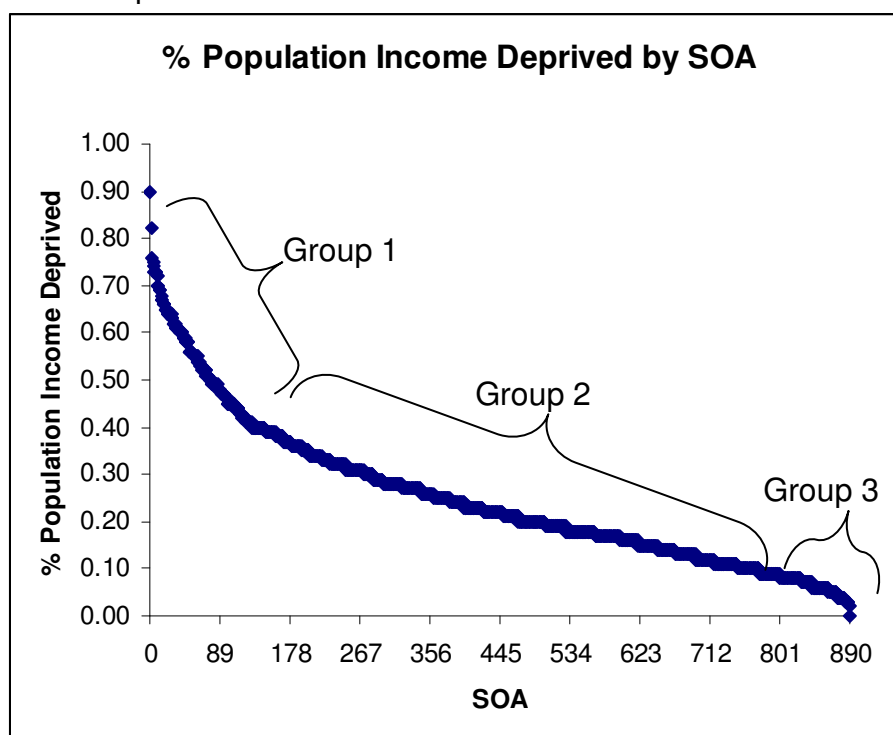
Both graphs can be interpreted as showing at least three groups;

Group 1 – A group containing a relatively small number of areas experiencing relatively high levels of deprivation, within which levels of deprivation vary.
Group 2 - A large group of areas experiencing moderate levels of deprivation within which deprivation levels do not vary greatly.
Group 3 - A group containing a small number of areas experiencing relatively low levels of deprivation, within which levels of deprivation vary.

For example:

It is assumed that a programme seeks to target the most deprived areas; either all or part of Group 1.

A single cut-off point is not evident between the hypothesised groups in both the Income and Employment Deprivation Domains, although the break between Group 1 and Group 2 lies within the most deprived 15% of areas in both domains. **It should be noted that even within the most deprived group of areas, the levels of deprivation vary greatly. Consideration should be given to varying the levels of government intervention accordingly**.

As a single cut – off point is not evident from the Income and Employment Domains it follows that a single point does not exist when the domains are combined to form the Multiple Deprivation Measure. It is however

recommended that funding is focussed within the 15% most deprived areas to ensure the most deprived areas receive funding.

Key points

- NIMDM should not be used in isolation when determining eligibility criteria for the allocation of funding.
- A single point along the deprivation distribution does not exist at which all areas experiencing more deprivation are classed as deprived and areas experiencing less deprivation are not.
- It is likely that the difference between the level of deprivation in the least deprived area that meets the eligibility criteria and the most deprived area that does not will be marginal.
- Relatively few areas experience the highest levels of deprivation. Therefore within a group of areas eligible for funding, the levels of deprivation are likely to vary greatly and varying levels of government intervention may be required.

Case Study – Defining Neighbourhood Renewal Areas

The Neighbourhood Renewal Strategy focuses urban regeneration programmes in the most deprived urban areas in Northern Ireland. The most deprived urban areas were defined by firstly identifying the 10% most deprived urban Electoral Wards as per the NIMD 2001 as well as the most deprived Enumeration Districts as per the Economic Deprivation Measure that were outside the most deprived wards. Further consultation took place with community representatives to form Neighbourhood Renewal Areas taking the results of the NIMD 2001 and the locations of communities and neighbourhoods into account.

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